

ARTICLE X. INSURANCE RETIREMENT BENEFITS
Section 4 Retirement Benefits

As discussed during the Annual Retreat, Section 4 that concerns medical insurance will be amended to read:

Medical Insurance

Employees meeting the State Retirement System qualifications for retirement will continue in the State Health Plan for medical insurance. A retiree can elect to continue family/spouse coverage by paying 100% of the family/spouse coverage cost. When the retiree becomes Medicare eligible, Medicare will become primary and the State Health Plan will become secondary insurance. If the employee accepts other full-time employment following retirement, the medical, dental and vision coverage will terminate. If an employee reaches 65 and continues to actively work for the Town, the State Health Plan will continue as the primary insurance. Upon retirement, the retired employee shall complete an HM form and mail it to the retirement system.

Also as discussed during the Annual Retreat, dental and vision insurance is currently offered to retirees and the premiums are based on the number of service years with the State Retirement System. An employee with at least 5 but less than 15 years of service pays 100%, 15 but less than 25 years of service, the employee pays 50% and 25 or more years the Town pays 100% of premium. The employee is charged 100% of the premiums for spouse and dependent coverage regardless of years of service.

Council is requested to decide if dental and vision insurance will be offered to retirees and if so how. The following four (4) options are proposed:

1. If Council decides not to offer dental and vision insurance coverage to retirees, the following sentence will be added to Section 4:
 - The Town does not offer retirees dental and vision insurance coverage. Coverage will terminate 30 days after retirement and it will be the responsibility of the retiree to obtain coverage at his expense if desired.
2. If Council decides to offer dental and vision insurance to retirees and agrees with the Town paying the premiums as determined by the number of service years with the State Retirement System, Section 4 will be amended to read:
 - **Dental and Vision Insurance**
Employees meeting all State Retirement System qualifications for retirement may continue to receive dental and vision insurance coverage through the Town. Employees retiring with at least five (5) years of service but less than fifteen (15) years of service will be required to pay 100% of the coverage cost. Employees retiring with fifteen (15) years of service but less than twenty-five (25) years of service will be required to pay 50% of the retiree's coverage cost and 100% of the family/spouse coverage cost. Employees with twenty-five (25) or more years of service will receive dental and vision insurance coverage from the Town at no charge and the retiree will be required to pay 100% of the family/spouse coverage cost.

3. If Council decides to offer dental and vision insurance to retirees and agrees with the Town paying the premiums as determined by the number of service years with the Town, Section 4 will be amended to read:

- Dental and Vision Insurance

Employees meeting all State Retirement System and Town qualifications for retirement may continue to receive dental and vision insurance coverage through the Town. Employees retiring with at least five (5) years of service but less than fifteen (15) years of service with the Town will be required to pay 100% of the coverage cost. Employees retiring with fifteen (15) years of service but less than twenty-five (25) years of service with the Town will be required to pay 50% of the retiree's coverage cost and 100% of the family/spouse coverage cost. Employees with twenty-five (25) or more years of service with the Town will receive dental and vision insurance coverage from the Town at no charge and the retiree will be required to pay 100% of the family/spouse coverage cost.

4. If Council decides to offer dental and vision insurance to retirees and require the retiree to pay the premium in full, Section 4 will be amended to read:

- Employees meeting all State Retirement System and Town qualifications for retirement may continue to receive dental and vision insurance coverage through the Town at no cost to the Town. The Retiree will be responsible for 100% of the premiums for themselves and their dependents.

The attached form, approved by Attorney Isenberg, will be used when an employee is retiring for Insurance Verification.

NOTE: The form now contains the four (4) possibilities. Once Council makes a decision, the form will be amended.